

**FBR suspends raids on business premises for 15 days**

Federal Board of Revenue (FBR) has suspended raids on business premises for a period of 15 days. This has been stated by FBR Member (Inland Revenue - Policy) Dr Hamid Ateeq Sarwar and FBR Member (Inland Revenue - Operations) Seema Shakil while addressing a media briefing here at the FBR House on Thursday.

They said that the raids have been suspended as a good gesture on the request of the business community. However, raids have only been suspended for the "filers" category of business community and documentation drive against "non-filers" would continue without any stop. The FBR has assured chambers and trade bodies that raids would not be conducted for a period of 15 days. Trade bodies had also assured that they would play their due role in recovery of due amount of taxes from business community.

When Prime Minister Imran Khan went to Karachi and met Federation of Pakistan Chambers of Commerce & Industry (FPCCI), the business community had raised the issue of raids on business and trade. The chambers of commerce and industries have also assured the chairman FBR that they would ensure compliance with notices sent out by the FBR.

When asked whether former President Asif Ali Zardari has been issued notice in the vehicles case, Seema Shakil confirmed it, saying a notice has been issued and relevant proceedings are under way at Karachi. The former President was not required to appear before the tax authorities but his counsel could represent him for replying the questions raised in the FBR notice.

Seema Shakil said that the FBR will issue refund cheques at the doorsteps of the small refund claimants, particularly salaried class, in cases where the refund is below Rs 50,000. An amount of Rs 175 million will be cleared of pending refunds since 2014 onwards. These small refund claims have been pending for the last five years which would be paid mostly to the salaried class, she said.

About sales tax refund bonds, she said that 78 claimants applied for bonds involving Rs 15 billion which will be paid by next month.

She said, "The FBR has streamlined the procedure for raids as field formations share reasons with us prior to conducting raids. Chief Commissioners are required to give permission to the relevant officials before conducting raids."

Through enforcement actions, the FBR has raised tax demands of Rs 8.2 billion during the last three months and tax of Rs 3.8 billion has been received, the FBR officials said.

The FBR Member Inland Revenue - Operations said that the field formations have taken 424 enforcement actions and raised tax demand of Rs 8.2 billion and recovered an amount of Rs 3.8 billion during the last three months. Therefore, 424 cases have contributed an amount of Rs 3.8 billion.

The amount has not been recovered from attachment of bank accounts of taxpayers. The amount has been recovered through tax assessments in cases where legal forums have given decisions in favour of FBR or taxpayers have not contested orders at the level of appeals.

Out of Rs 3.8 billion, the major cases were related to Karachi, Lahore and Islamabad. The biggest recovery of Rs 450 million has been made from Karachi followed by Lahore with a recovery of Rs 582 million and around Rs 300 million recovered from Islamabad.

During the last 3-4 months, the field formations have issued arrest warrants in 2 cases, nine arrests were made in a case of Faisalabad pertaining to tax fraud committed by a textile mill and 4,000 bank accounts have been attached in the field formations. Moreover, the FBR has also detected 78 immovable properties and 46 vehicles owned by non-filers of income tax returns.

The FBR has served notices to 6,400 high net worth individuals and enforced returns from 2,671 individuals. The FBR has raised tax demand of Rs 2.1 billion and recovered Rs 1.3 billion from high net worth individuals.

As a result of broadening of tax base exercise and survey of malls in Karachi, Lahore and Islamabad, the FBR received 1.762 million returns till now with tax payments of Rs 29.726 billion. The FBR was receiving 30,000 returns per day in the last few days following extension in deadline till March 31, 2019.

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